

## **REMARKS**

### **I. SUMMARY:**

The present application sets forth original claims 1-29, 31-44 and 46-50, of which claims 1-21 have been withdrawn and claims 30 and 45 are presently canceled. Of the remaining claims, claims 22, 35, and 46 are independent claims. None of the amendments add any new matter to the subject application.

Original claims 22-30, 32-37, 42-48 and 50 stand rejected under 35 U.S.C. § 103(a) as being allegedly obvious over the article by Van Collie entitled "Construction Loan Tool From PriMerit, NewTrend" in view of U.S. Published Application No. 2001/0054022 (Louie et al.). Claims 31, 38-41, and 49 stand rejected under 35 U.S.C. § 103(a) as being allegedly obvious over Van Collie in view of Louie et al. and further in view of Official Notices taken by the Examiner.

The initial grounds of rejection are respectfully traversed. Each of the three independent claims contains patentable features that distinguish over Van Collie and Louie et al. More particularly, the requirements of claim 22 that an on-line system receive and analyze project-specific data (i.e., detailed information about a specific construction project), and that such data be provided via predefined project templates are not disclosed in the cited references. The references also fail to disclose claim 35's building supply service whereby an integrated platform provides BOTH project financing and ordering of building supplies in a single integrated on-line system by a single dealer entity. Finally, the requirement of claim 46 of a relationship establishment service whereby a builder and dealer relationship is automatically coordinated by a web-based application based on builder and dealer certification, geographic grouping and subsequent confirmation is not disclosed singularly or in combination of the Van Collie and Louie et al. references. These distinctions are explained in further detail in the remainder of the remarks section of this Amendment and Response.

**II. REJECTION OF CLAIMS 22-30, 32-37, 42-48 and 50 (35 U.S.C. §103(a)):**

Original claims 22-30, 32-37, 42-48 and 50 stand rejected under 35 U.S.C. § 103(a) as being allegedly obvious over the article by Van Collie entitled "Construction Loan Tool From PriMerit, NewTrend" in view of U.S. Published Application No. 2001/0054022 (Louie et al.). Based on the following remarks, Applicants respectfully traverse such alleged obviousness.

Before setting forth a discussion of the prior art applied in the recent non-final Office Action, it is believed that a general discussion of the disclosed subject matter may be helpful as background to a discussion of the specifically claimed subject matter.

The present technology is directed toward the automatic administration of construction loans. Business relationships are established between a builder (borrower), a dealer (inspector), and a system administrator. Other entities including lenders and various contractors, subcontractors, and suppliers are also involved. Initial steps in setting up the loan administration system provide for registration and certification of selected of the participants as well as establishing a business relationship between matched builders and dealers within a given geographic area. Registration may involve establishing an account including user identification and password information through a web-based system. Certification may include submission of information to a system administrator for review and entry of appropriate data into the loan administration system. In addition, builders (borrowers) are assigned a line of credit based on predetermined criteria. Based on the line of credit, builders (borrowers) may apply for specific loans for funding of specific projects by providing project related information. Automatic funds transfers to pay for completed portions of such specific projects may then be made directly to appropriate entities for services, materials, etc. rendered and/or provided. Building supplies may also be provided by the same entity relaying financial backing to a builder. As such, integration of comprehensive construction services such as lending, inspection and the like are provided by a single entity via a convenient web-based system.

**A. Claims 22-34:**

With such brief background in mind, reference is now directed in particular to the outstanding rejection of original claims 22-30, 32-37, 42-48, and 50 under 35 U.S.C §103(a) as being allegedly obvious over the article by Van Collie in view of Louie et al. It should first be noticed that independent claim 22 is directed to (in pertinent part; emphasis added) "An automated process for approving and administering a construction loan, ...comprising a builder initialization subprocess, comprising providing requested builder data to an on-line system; ... and establishing a builder line of credit; a dealer initialization subprocess, ... a project-specific loan application subprocess, comprising providing requested project specific loan data to one or more predefined project templates provided within an on-line system; analyzing said requested project specific loan data; and approving a builder for a project-specific loan based at least in part on the established line of credit ...."

The combination of Van Collie and Louie et al. references fail to disclose at least two important aspects of independent claim 22. First, the cited references do not provide features within an on-line system for providing and analyzing project-specific loan data. Second, neither such reference discloses providing one or more predefined static project templates to facilitate the provision and analysis of such information. Both elements are important to the automated construction loan process set forth in claim 22. Such features help eliminate the necessity of duplicating substantial portions of future specific project related loan applications, thus saving all involved entities time and money. Furthermore, predefined templates for providing project information help coordinate the entire construction loan process in various established stages or steps of a project plan, including the requisite inspection of various project parts and subsequent approval of dynamic draw requests for such separate project components.

Concerning the project-specific loan data limitation of claim 22, the June 20, 2008 Office Action aptly recognizes that Van Collie fails to disclose such features. However, the Office Action proceeds to incorrectly propose that such features are disclosed in Louie et al. On numbered page 4 of the most recent Office Action, the

entire project-specific loan application subprocess of claim 22 is asserted as being allegedly equated with the provision of “loan resource data” in claim 33 of Louie et al.)

The project specific loan data referenced as being provided and analyzed for approval of a related line of credit in the subject claim 22 relates the detailed description of a construction project itself, including such details as the building supplies needed, different construction phases, project timeline, inspection requirements, financial resources required, and the like. In contrast, loan resource data generally referenced in Louie et al. does not address actual project details, but instead concerns different lenders combining to service a multi-lender syndicated loan. As described on page 3, paragraph [0030] of Louie et al., syndicated loan resources include loan facilities, i.e., the actual different monetary resources combining to offer finances, such as negotiable instruments, letters of credit (LCs), promissory notes and the like. As such, it is quite clear that the “loan resource data” disclosed in Louie et al. is substantially different than the detailed information about a specific construction project that is required in the project-specific loan subprocess of claim 22.

Concerning the project template limitation of claim 22, the June 20, 2008 Office Action again incorrectly characterizes the cited references. In particular, numbered page 7 attempts to correlate “custom-defined criteria for loan disbursement” generally mentioned in Van Collie with claim 22’s features for providing specific information about a construction project by completion of predefined project templates. These two items are hardly comparable.

Predefined project templates as set forth in claim 22 provide an automated and organized approach by which a builder can define specific details about a construction project for which he is seeking financing, supplies and the like. Builders are assisted by such templates because they identify the types of construction project details which are needed for underwriting analyses, loan approval, building supply coordination and establishment of different project phases, inspection and incremental monetary draws. Dealers are assisted because they are provided with organized information needed to make a decision whether to “sponsor” a builder and also to participate in the inspection

and draw payment subprocess of the subject automated construction loan process. Because of such templates within the specific environment of an on-line construction loan and services platform, a uniform system provides useful and integrated services for both builders and dealers.

The features associated with predefined project templates of claim 22 are different than the “custom-defined criteria for loan disbursement” generally mentioned in Van Collie. Criteria for loan disbursement appear to generally relate to timing requirements for when certain money is provided from a lender to a vendor. There is nothing specific mentioned in Van Collie about the custom-defined criteria that provides static templates for details about a construction project. As such, Van Collie does not disclose the limitation of presently amended claim 22 regarding provision of project-specific data into predefined construction project templates. Louie et al. fails to cure this deficiency as such reference does not disclose any details about a loan administration process relative to construction applications.

Claim 22 is patentable over the cited combination of Van Collie and Louie et al. because neither reference discloses all elements of claim 22. Claim 22 requires that an on-line system receive and analyze project-specific loan data (i.e., detailed information about a specific construction project), which is different than the loan resource data (i.e., different types of financial resources) disclosed in Louie et al. Claim 22 also requires that such project-specific information be provided via one or more predefined static project templates, which is different than generic “custom-defined criteria” mentioned in Van Collie. Because these two features in particular are not disclosed singularly or in combination of the cited references, claim 22 should be allowed. Applicants respectfully request acknowledgement of the same.

Presently pending claims 23-29 and 31-34 should also be allowed over the combination of Van Collie and Louie et al. references, since such claims depend from and further limit otherwise allowable claim 22 (based on the above distinguishing remarks). If an independent claim is nonobvious under 35 U.S.C. § 103(a), then any claim depending therefrom is nonobvious. *In re Fine*, 387 F.2d 1071, 5 U.S.P.Q.2d

1596 (Fed. Cir. 1998), emphasis added. As such, Applicants respectfully request withdrawal of the pending obviousness rejection of all claims 22-29 and 31-34 citing Van Collie in view of Louie et al.

**B. Claims 35-44:**

Independent claim 35 is directed to (in pertinent part; emphasis added) “A web-based application for providing a multi-level construction system, ...comprising ... a registration service, available to prospective builders or dealers, for registering in said web-based application; a certification service, available to registered builders or dealers, for obtaining certification to participate in said multi-level construction system; a credit line establishment service, available to certified builders, for establishing funding limits for loan applications; a loan application service, available to builders, for requesting monetary funding for a construction project; a draw request service, available to builders, for requesting an allotted increment of an approved loan; an inspection verification service, available to dealers, for verifying progress on a given project and for providing corresponding partial project approval; and a supply service, available to registered builders, whereby a registered builder requests certain building supplies for use in a specific construction project such that a registered dealer thereafter provides such registered builder with such requested building supplies.”

The combination of Van Collie and Louie et al. references fail to disclose the newly clarified feature of claim 35 directed to a supply service whereby building supplies for a specific construction project are coordinated between a builder and dealer. This particular service is important to claim 35 which provides a web-based application for providing a multi-level construction loan, featuring integrated and automated on-line features for BOTH project financing and ordering of building supplies. The ability to provide both such integrated features in a single automated system and by a single dealer entity helps achieve a unique advantage over known prior art systems in which different associates provide conventionally provide the separate functions of lender, inspector, dealer, etc.

The above features of claim 35 are not disclosed in Van Collie or Louie et al. Numbered page 8 of the most recent Office Action focuses on Van Collie's discussion of CCL control at multiple levels including "inventory" and information about individual units such as "nails and bolts." The Office Action alleges that such general features evidence an inherent limitation that control to such a specific level would allow for approval of an inventory request. However, the inventory mentioned in Van Collie is NOT building supplies but properties for lease, and the info about nuts and bolts relates to financing the purchase of such components, not the actual coordinated provision of building supplies from a dealer to a builder.

The discussion of inventory in Van Collie is actually talking about property inventory available for lease – see in particular the mention of "inventory" as a capability in the "property/lease side of the project." As such, Van Collie does not talk about specific provision and control of building supplies, but of different properties available for lease.

In addition, the tracking of line items such as "nails and bolts" mentioned in Van Collie concerns the control of funds used to purchase such items or individual units, down to control of purchasing even small units such as nails and bolts. The entire Van Collie system is designed for Merit Bank and other financial institutions who are concerned primarily with just control of the money. Where the money goes, when the money is disbursed, what the money is used for (e.g., purchase of nails and bolts) is the primary focus of the PriMerit construction loan tool disclosed in Van Collie. Although the Van Collie system has a variety of functionality related to the control and disbursement of funds, the banks using such system are still just lenders. There is no mention that such a system is a "multi-level construction system" as set forth in claim 35 such that a single entity (namely, a dealer) can provide financing, building supplies, inspection services, draw requests, etc. all within a single integrated system. Since banks are only concerned with the monetary side of the picture, such reference fails to disclose the provision by a single dealer of multiple services, including a supply service

whereby a builder requests certain building supplies for use in a specific construction project and a dealer thereafter provides the builder with the requested building supplies.

Claim 35 is patentable over the cited combination of Van Collie and Louie et al. because neither reference discloses all elements of claim 35. Because the construction loan tool generally described in Van Collie is limited to financial control of a construction loan by banks, Van Collie does not describe an integrated platform for providing both project financing and ordering of building supplies in a single integrated on-line system. Van Collie also fails to disclose all such integrated services provided by a single entity, where a dealer provides both the financing and the building supplies for a construction project. Louie et al. does not cure the deficiencies of Van Collie with regard to claim 35 because such reference is not even directed specifically to the construction industry. Applicants respectfully request allowance of claim 35 based on the above distinctions.

Presently pending claims 36-44 should also be allowed over the combination of Van Collie and Louie et al. references, since such claims depend from and further limit otherwise allowable claim 35 (based on the above distinguishing remarks). If an independent claim is nonobvious under 35 U.S.C. § 103(a), then any claim depending therefrom is nonobvious. *In re Fine*, 387 F.2d 1071, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1998), emphasis added. As such, Applicants respectfully request withdrawal of the pending obviousness rejection of all claims 35-44 citing Van Collie in view of Louie et al.

**C. Claims 46-50:**

Independent claim 46 is directed to (in pertinent part; emphasis added) “A web-based application for providing a multi-level construction system, ...comprising ... a registration service, available to prospective builders or dealers, for registering in said web-based application; a certification service, available to registered builders or dealers, for obtaining certification to participate in said multi-level construction system; a relationship establishment service, by which each registered and certified borrower and inspector is automatically assigned to a specific team, and by which confirmation is provided for a configured business relationship between a given borrower and



inspector; a credit line establishment service, available to certified builders, for establishing funding limits for loan applications; a loan application service, available to builders, for requesting monetary funding for a construction project; a draw request service, available to builders, for requesting an allotted increment of an approved loan; and an inspection verification service, available to dealers, for verifying progress on a given project and for providing corresponding partial project approval.”

The highlighted element of the relationship establishment service of amended claim 46 is important to the web-based application accessible by both builders and dealers because it coordinates the matching of such entities desirous of entering a business relationship. More particularly, the subject application describes the builder/dealer (borrow/inspector) relationship as follows – the builder is a borrowing entity that desires the loan while a dealer is an inspecting entity who enters into a business relationship with the borrower/builder and oversees certain aspects of subsequent loan and draw processes. (See paragraph [0046] of the published application.) Such business relationship does not need to be pre-existing but can be automatically proposed and confirmed by the subject web-based application.

When a builder registers and becomes certified in the web-based application, the builder is automatically assigned to a “Builder Team.” One example of Builder Team assignments are established based on the zip code of the builder supplied during a registration subprocess. (See page 4, paragraph [0048] of the published application.) Registered dealers are also then assigned to a Builder Team. (See page 4, paragraph [0048].) Assigning dealers to specific builder teams (especially in geographic proximity) is important in the subject system because dealers are often not only providing financing (which can be more easily done from anywhere) but also tangible building supplies which must be transported. After a matched dealer/builder relationship is proposed, confirmation must then be obtained from a dealer of the fact that they have been selected/chosen as a particular sponsor by a particular builder. (See page 4, paragraph [0048].)

Van Collie does not disclose a web-based application that provides features for actually establishing a relationship between a registered and certified builder and dealer. In contrast, the construction loan tool of Van Collie is used by bankers who are primarily concerned with control over the money it pays out for different construction projects. The relationship between such bankers and a vendor appears to be pre-established. In addition, such relationships are between the banks and the vendors, not between a builder and dealer.

Louie et al. also fails to disclose features for establishing a relationship between a registered and certified builder and dealer. Although Louie et al. discloses system participation by numerous entities (e.g., a syndicate manager and a number of investors including a financial institution and a borrower as shown in Figure 4), the initial relationship between such entities is also pre-established and is not organized by registration in web-based application as set forth in claim 44. In contrast, commercial endeavors requiring syndicated loans as described in Louie et al. are planned (see, e.g., page 1, paragraph [0005] of Louie et al.) as opposed to automatically coordinated by the application itself based on builder and dealer certification, geographic grouping and subsequent confirmation.

Claim 46 is patentable over the cited combination of Van Collie and Louie et al. because neither reference discloses all elements of such claim. Because the construction loan tool generally described in Van Collie is limited to financial control of a construction loan by banks to predetermined construction vendors, Van Collie does not describe a relationship establishing service for which each registered and certified borrower and inspector is automatically assigned to a specific team and confirmation is obtained for a configured business relationship between a given borrower and inspector. Similarly, the loan system of Louie et al. is designed for use by a preselected combination of lender entities and no features are needed for automatic coordination of business relationships. Since Louie et al. does not even pertain to the construction environment, there would be little reason for coordinating geographic assignment between entities who supply not only finances but also physical construction supplies.

Applicants respectfully request allowance of claim 46 based on the above distinctions.

Presently pending claims 47-50 should also be allowed over the combination of Van Collie and Louie et al. references, since such claims depend from and further limit otherwise allowable claim 46 (based on the above distinguishing remarks). If an independent claim is nonobvious under 35 U.S.C. § 103(a), then any claim depending therefrom is nonobvious. *In re Fine*, 387 F.2d 1071, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1998), emphasis added. As such, Applicants respectfully request withdrawal of the pending obviousness rejection of all claims 46-50 citing Van Collie in view of Louie et al.

### **III. REJECTION OF ORIGINAL CLAIMS 31, 38-41, and 49 (35 U.S.C. §103(a)):**

Claims 31, 38-41, and 49 stand rejected under 35 U.S.C §103(a) as being allegedly obvious over Van Collie in view of Louie et al. and further in view of Official Notices taken by the Examiner.

With regard to claims 41 and 49, Applicants respectfully submit that the various aspects of establishing a business relationship between builder and dealer (or borrower and inspector) in an automated fashion using a web-based application is not “old and well known”. In contrast, technology for provided integrated web-based services including financing and supply of construction materials by a given dealer, wherein the relationship between that dealer and a builder is established automatically based on geographic groupings is not common. Instead, conventional construction relationships include separate interaction between a builder and lender, builder and supplier, etc. There was no need in prior art systems to group lenders with builders by zip code because the same entity did not provide both financial services and construction supplies.

With regard to the particular statements above in which the elements of claims 41 and 49 are alleged to be “old and well known” in the art, Applicants respectfully rebut all such statements and hereby traverse such alleged support for rejection in accordance with MPEP § 2144.03. Applicants further request that the Examiner provide documentary evidence in support of such particular statements regarding “well known”

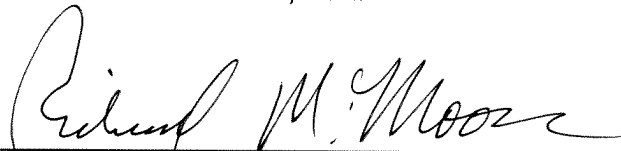
prior art, if the Examiner wishes to proceed with a formal position regarding such statements.

**IV. CONCLUSION:**

Inasmuch as all outstanding issues have been addressed, it is respectfully submitted that the present application, including claims 22-29, 31-44 and 46-50, is in complete condition for issuance of a formal Notice of Allowance, and action to such effect is earnestly solicited. The Examiner is invited to telephone the undersigned at his convenience should only minor issues remain after consideration of this response in order to permit early resolution of same.

Respectfully submitted,

DORITY & MANNING,  
ATTORNEYS AT LAW, P.A.

A handwritten signature in cursive script, reading "Richard M. Moose", written over a horizontal line.

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